GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5731
ANSWERED ON:07.04.2017
Tax Revenue Locked up due to Litigation
Kamaraaj Dr. K.

Will the Minister of FINANCE be pleased to state:

(a) whether a large number of direct taxes is locked up in litigation and if so, the details thereof;

(b) the number of income tax cases filed including claim amount in various courts during the last three years and the current year;

(c) the amount spent for litigation charges including advocate fee during the said period;

(d) whether the Government proposes to avail the services of an alternate dispute mechanism to settle such cases out of court; and

(e) if so, the details thereof and action taken thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SANTOSH KUMAR GANGWAR)

(a) Yes, Madam. The following table presents the details of the direct tax cases pending before various judicial fora.

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Appellate Forum	Number of appeals pending	As on date
CIT(Appeals)	2,83,843	28.02.2017
ITAT	88,730	31.12.2016
High Court	41,960	31.12.2016
Supreme Court	5,272	30.09.2016

(b) The details of the pendency of cases including the amount locked up (in Rs. Crore) in dispute before the various judicial fora are as follows.

Appellate Forum	2013-14		2014-15		2015-16		Current year	
	No.	Amnt.	No.	Amnt.	No.	Amnt.		Amnt.
CIT (A)	2,15,174	2,87,444	2,32,126	3,83,797	2,58,898	5,16,250	6,71,069	
ITAT	35,266	1,43,254	37,506	1,45,534	32,834	1,35,983	1,40,323	
HC	35,696	33,128	34,281	37,683	32,138	1,61,417	1,66,284	
SC	5,960	3,201	5,661	4,654	5,399	7,091	7,530	

Source: Research & Statistics Wing, O/o. DGIT (Logistics)
The amounts locked up in dispute mentioned in the table above for current year before CIT (A) is as on 28.02.2017 and for ITAT, HC and SC the data is as on 30.09.2016.

(c) No such details on the amount spent for litigation is maintained.

(d) & (e) The Central Government had initiated the Direct Tax Dispute Resolution Scheme, 2016 to resolve the disputes pending before the Commissioner of Income Tax (Appeals) and to reduce the tax payer grievance due to the long pending litigation. A total of 10,423 applications have been received under the Scheme amounting to a tax arrear of Rs. 1,235 Crore. Apart from this Scheme, there is no proposal at present to avail the services of alternate dispute mechanism to settle such cases out of court for the other judicial fora.